

MEMO

DATE: December 14, 2006

TO: Energy and Environment Committee

FROM: Jennifer Brost Sarnecki, AICP, Associate Regional Planner, (213) 236-1829, sarnecki@scag.ca.gov

SUBJECT: North Baja Pipeline Expansion Project Update

BACKGROUND:

On November 2, 2006, representatives from TransCanada presented the EEC with information on the proposed North Baja Pipeline Expansion Project. The EEC requested more information on the environmental impacts of the project. In response to the EEC's request, staff will summarize the environmental review conducted pursuant to SCAG's Intergovernmental Review (IGR) process.

Intergovernmental Review:

As the clearinghouse for regionally significant projects pursuant to Executive Order 12372, SCAG reviews the consistency of local plans, projects, and programs with regional plans. This activity is based on SCAG's responsibilities as a regional planning organization described in state and federal laws and regulations. SCAG staff reviews environmental documents for consistency with the Regional Comprehensive Plan and Guide, the 2004 Regional Transportation Plan, and SCAG's Compass Growth Vision. Guidance provided by these reviews is intended to assist local agencies and project sponsors to take actions that contribute to the attainment of regional goals and policies. CEQA requires that EIRs discuss any inconsistencies between the proposed project and applicable general plans and regional plans (Section 15125 [d]). If there are inconsistencies, an explanation and rationalization for such inconsistencies should be provided.

Summary of the North Baja Pipeline Expansion Project:

The Federal Energy Regulatory Commission (FERC), the California State Lands Commission (CSLC), and the Bureau of Land Management (BLM) have prepared a Draft Environmental Impact Statement/Environmental Impact Reports and draft land use plan amendment (Draft EIS/EIR/plan amendment). The Draft EIS/EIR/plan amendment was prepared according to the National Environmental Policy Act (NEPA), the California Environmental Quality Act (CEQA), and the Federal Land Management and Policy Act. The FERC is the lead Federal agency for this project.

On February 7, 2006, North Baja Pipeline, LLC (North Baja), an indirect wholly owned subsidiary of TransCanada Pipelines Ltd., filed an application with the FERC seeking permission to construct, own, and operate an expansion of its existing interstate natural gas pipeline system. North Baja is also seeking FERC authorization to allow construction of additional facilities at the U.S. – Mexico border and the importation of vaporized liquefied natural gas (LNG). North Baja's proposal would involve the construction and operation of 79.8 miles of pipeline adjacent to North Baja's existing pipeline; 45.7 mile lateral pipeline; a new odorant facility; two new meter stations; modifications at North Baja's existing compressor and meter stations; and installation of new valves and internal tools. The proposed phased construction schedule would begin in 2007 and end in 2009.

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A total of 65.3 miles of the proposed pipeline would be on lands managed by the BLM. The proposed route would deviate from a designated utility corridor on BLM land and would cross the Milpitas Wash Special Management Area. Therefore, the BLM would need to amend two resource management plans: the California Desert Conservation Area Plan and the Yuma District Resource Management Plan.

With three exceptions, North Baja's proposed and/or the Agency Staffs' recommended mitigation would reduce potential environmental impacts to less than significant levels. The Agency Staffs have determined three significant unavoidable impacts would remain after all mitigation is applied. In summary, the North Baja Pipeline Expansion Project is likely to adversely affect the:


- Peirson's milk-vetch;
- Desert tortoise and its critical habitat; and
- Flat-tailed horned lizard and its habitat

As such, impacts on these three species would be considered significant. Approval of the project would be subject to a Statement of Overriding Considerations under the CEQA due to these significant unavoidable impacts that could remain after all available or feasible mitigation is applied.

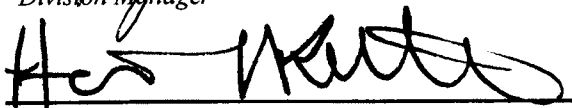
FISCAL IMPACT:

The review of the North Baja Pipeline Expansion Project EIR/EIS is covered under the Environmental Planning Staff work element 07-020.SCGS1.

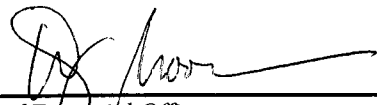
Reviewed
by:


Division Manager

Reviewed
by:


Department Director

Reviewed
by:


Chief Financial Officer